



***Lackawanna State of the City Address  
Mayor Annette Iafallo  
March 14, 2022***

Dear City of Lackawanna Residents and Property Owners,

Like most municipalities, Lackawanna experienced numerous challenges in 2021 due to the Covid-19 pandemic. Whenever and however possible, we did our best to manage the pandemic in our community, including offering several vaccine clinics and handing out masks to residents.

Despite these challenges, we made significant progress in several areas, which I'd like to highlight starting with **Development**:

Significant milestones were reached with several projects launched in 2020 to rebuild Lackawanna's local economy, tax base and sources of new jobs:

- TMP Technologies, the maker of Magic Eraser cleaning products, completed construction of their new \$22 million production facility in Renaissance Commerce Park. This facility is now fully operational with over 100 workers;
- Also in the commerce park, Uniland Development is on track to complete a new \$15 million light manufacturing and warehouse facility this summer for tenants to be announced in the near future. And on February 23, 2022, Uniland announced plans to build a second similar facility adjacent to their current project. This is a tremendous vote of confidence in Lackawanna from one of the region's premier developers;
- And outside the commerce park footprint, sugar distributor Sucro Sourcing is about 60% completed with their \$21 million project, which by year-end will result in two raw material warehouses with a combined 80,000 square feet of space, a 60,000 square foot packaging facility, a sugar refinery and a total of 75 full-time employees.

We also landed a new project on city-owned land east of Route 5. Flexlume Sign Company purchased a four-acre site on Albright Court to construct a new \$2 million manufacturing and office facility. This project is expected to break ground in the spring and be completed by year-end. Flexlume will then relocate a 20-person operation from Buffalo, where it has operated since the 1940's.

And Empire Building Diagnostics, a local demolition and remediation company, privately purchased a 73,000 square foot facility at 400 Ingham Avenue and is in the process of relocating their 70-person operation from Depew.

I want to emphasize that city tax payments are negotiated into each development project. We will not move forward without this stipulation. How a completed project is onboarded to the tax rolls will vary. Some will come on immediately at 100% of assessed valuation, while others will do so gradually based on PILOT or other agreements negotiated with state or county agencies.

Using TMP as an example, this project is estimated to generate new city taxes in excess of \$170,000 in year one and \$1.5 million over the life of a ten-year PILOT, after which time city taxes will be collected at 100% of assessed valuation. Similar calculations will be made for the other noted projects once those are completed and assessed.

### Moving to the **Comptroller's Office:**

For the second consecutive year, *the city tax rate was lowered* for property owners. For the current fiscal year starting August 1, 2021, the unified rate is \$16.75 per thousand, a decrease of \$0.40 per thousand from the prior fiscal year. The garbage fee also remained at \$254 per unit.

Based on Lackawanna's recent financial and development progress, Moody's has *upgraded our bond rating* from A2 to A1, which is considered a stable rating within a range of AAA through C. As a result, we have refinanced \$2.18 million in outstanding 2011 bonds, which will save approximately \$100,000 over the next six years and issued \$1.17 million in Capital Improvement Bonds to purchase a new fire truck. Including the new bonds issued, the City of Lackawanna's outstanding bond amount will be \$4.71 million extending through the 2036-2037 fiscal year.

Our *Fund Balance* as of July 31, 2021 was a stable \$12.05 million; which is an increase of nearly \$2.03 million. The fund balance was driven by an increase in sales tax revenues, efficient spending during the pandemic and postponed retirements. In the current fiscal year, \$1.5 million of the fund balance was used to reduce taxes and meet current financial obligations. Our Unassigned Fund Balance is approximately \$8.65 million.

We received a "*No Designation*" and an *8.3 rating* for the year ending July 31, 2020 from the New York State Comptroller's Office. This office monitors the fiscal stress of a municipality on a scale of 0 to 100, with a low score indicating low fiscal stress. We anticipate the same "No Designation" for the July 31, 2021 year-end and have yet to receive a fiscal stress rating for the same time period.

### Within the offices of the **City Treasurer and City Assessor:**

The *Treasurer's Office* worked with the Comptroller's Office and Technology Department to implement a new tax collection system featuring online payment capability. To date, over \$1 million in online tax payments have been collected. The Treasurer's Office collected a total of over \$27 million in city, school and county taxes plus, over \$600,000 in delinquent taxes. In addition, the *Assessor's Office* successfully completed Star, Enhanced Star and Veterans exemptions for property owners, while continuing to ensure properties are equitably assessed in relation to the local real estate market.

### Under **Public Safety:**

The *Lackawanna Fire Department* responded to 3,699 calls in 2021, up 408 calls over last year. Of these calls, 2,639 were for emergency medical services. Firefighters responded to 106 fires, nearly the same as 2020. The Fire Marshall performed inspections on several hundred buildings, including senior residences and those under OLV Human Services.

We hired one new firefighter and the department continued its long history of providing our community with fire prevention and safety education through visits to schools, businesses and playgrounds during the summer. During the past year, firefighters also conducted CPR training classes and performed car seat safety inspections at community events. For the 25<sup>th</sup> consecutive year, a Christmas food drive was held for families in need and a 'fill the boot' drive also raised \$11,000 for Make-A-Wish.

The *Lackawanna Police Department* responded to 13,900 calls in 2021, up 1,034 calls over 2020. Officers made 732 arrests, up 27% over last year, and issued 4,644 traffic summonses and 1,804 parking tickets.

We hired five new police officers – four recruits and a lateral hire from a local agency. Officer Mark Kowalski was promoted permanently to Lieutenant. Police officers also continued to build community relationships through a new foot patrol initiative, where officers “walk a beat” throughout every street in the city. A bike patrol component is planned for this year. Officers also volunteered their time for various youth-focused initiatives including the “Learn-2-Play Program” and holiday programs for needy families, including “Shop with a Cop” and a Nike sneaker giveaway.

#### Moving to the **City Attorney’s Office:**

In partnership with my office, the City Attorney successfully negotiated a new contract with the Lackawanna Firefighter’s Union that will provide firefighters with increased wages and benefits through 2025. This represents the fourth successfully negotiated labor contract under my administration.

The City Attorney also managed various civil litigation, employee relations and development contract matters, while working with City Court to effectively enforce vehicle, traffic and housing code violations; a process that continued to face pandemic-related challenges in 2021. The City Attorney continued efforts to reduce outside counsel fees and claims against the city by handling most civil matters in-house and negotiating new safety measures with employee unions.

In anticipation of a retirement this year, a new Assistant City Attorney was brought on in 2021 to help meet the growing demands upon the City Attorney’s office, which include added responsibilities for assisting in zoning and planning matters.

#### Under **Public Works:**

The DPW continued its outstanding work to maintain garbage, recycling, bulk trash and snowplowing services despite many Covid-19 issues. Their efforts this past winter were praised across social media and in television stories on WIVB and WKBW. The DPW also completed a nearly \$1 million paving and restriping project on Ridge Road, from South Park Avenue to Route 5, to more clearly and safely designate Ridge Road as a shared roadway for vehicles, bikes and pedestrians. ADA compliant sidewalk ramps were also constructed where needed.

#### Through our **Purchasing and Technology Departments:**

City employees in various roles were provided with safe and secure work-from-home capabilities during the pandemic cycle. These departments also worked to modernize multiple computers throughout city buildings with no service interruptions. Through efficient purchasing negotiations, significant savings were realized on large purchases including police vehicles, road maintenance materials, gas and electric, phone and computer services, and office supplies.

From the **Public Information Office**

In 2021 we moved forward with a 'chamber of commerce style' marketing campaign for Lackawanna development. This included print, online and digital advertising, sponsored events, public relations, an enhanced website and presentations to many of the region's prominent developers, architects, engineers and construction partners. Based on tracking statistics, our development messages have been viewed over 235,000 times, with viewers showing a greater than average tendency to read them fully and ask for more information. These follow-up conversations are ongoing.

In addition, the Public Information Office generated 55 instances of public relations coverage, of which 28 (or 47%) were development related. The PIO also created nearly 200 social media messages reaching a total audience of about 575,000, while continuing to utilize the city website and Code Red calling system for distributing city messages.

With respect to **Recreation Programs:**

In 2021, we ran full seasons of co-ed softball and kickball, with 22 teams across both leagues. In addition, we offered the free summer lunch program at city playgrounds and hosted several community events including our annual Memorial Day Service, National Night Out, Thursday Night Concert Series and various senior and youth-themed activities.

We also added the City Swim Project at the Lackawanna High School pool, which expanded from an initial registration of 30 students to 47. And through our association with the Independent Health's Soccer for Success Program, we received a \$100,000 outdoor mini-pitch facility at Victory Playground through the U.S. Soccer Foundation in conjunction with Dick's Sporting Goods.

Lastly, with regards to **Staffing:**

Several new employees were selected to fill critical open positions including: Steve Balon, Building and Property Safety Inspector; Heather Baumeister, Assistant City Attorney; Deborah Duttweiler, Complaint Writer/Dispatcher; Mark Friend, Senior Building Maintenance Mechanic; Jason Sabuda, Complaint Writer/Dispatcher and Jaimie Swygert, Account Clerk Typist – Civil Service. We also had a few long-time employees retire including; John Gambino, Senior Building Maintenance Mechanic and Police Officers Anthony Catuzza, Paul Fino and Daniel Sawicki.

*For everything we accomplished this past year, I'd like to recognize several groups:* our Lackawanna City Council, for their cooperation and support; our city department heads for their commitment to getting things done; and last, but not least, our city workforce – none of what we accomplished was possible without them.

While we accomplished many things in 2021, the year was also filled with many challenges due to the pandemic. Several other projects we planned to complete or start did not move forward. We hope to clear as much of this backlog as humanly possible this year.

Our priorities will be the Center Street and Veterans Stadium projects and construction of a splash park, which will now be located on the west-end of Franklin Playground near Center Street. The Ridge Road site between Memorial Field and the Lackawanna Library we originally chose for the splash park is no longer viable as we determined this land was a pauper's cemetery in the early 20<sup>th</sup> century. We are excited by this new opportunity to build bigger and better at Franklin Playground.

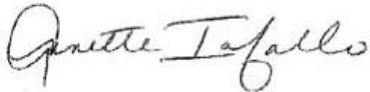
Other projects we plan to move ahead with this year include:

- Development plans for city-parcels 264 and 539 Ridge Road, 100 Dona Street and 1 Alliance Drive;
- Installing a backup 911 system and continuing design and preparation work for the eventual relocation of City Hall to the former Knights of Columbus building. These two projects will be aided by a generous \$350,000 grant from Erie County Legislator John Gilmour;
- A Community Development Block Grant-funded milling and paving project on Cleveland Avenue;
- Reinstallation of damaged signal lights at South Park Avenue and Sharon Parkway and Abbott Road and West Elmview Avenue.

We're also hoping for good news regarding grant applications to fund a new fire training facility on Steelawanna Avenue and new drainage and recreation equipment at the Lehigh soccer facility.

It's been my honor to serve as your mayor in what is now my third year. I'm proud of what we have accomplished the past two years and I look forward to more in the years ahead.

Stay safe and God bless.

A handwritten signature in cursive script that reads "Annette Lafallo". The ink is dark and the signature is fluid, with the first name and last name clearly distinguishable.

Annette Lafallo  
Mayor, City of Lackawanna